the proposal was also devoid of flood control benefit and required large block of power for lifting water. The proposal was, therefore, given up.

**Inspection of companies**

*551. SHRI ABU ASIM AZMI:
SHRI MOOLCHAND MEEJNA:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) what is the number of companies inspected by Government under section 209(a) of the Companies Act, 1956, during the last two years;

(b) how many companies were actually booked for violations mismanagement, delay in payment of dividend, non payment of deposits during that period; and

(c) whether prosecution has been launched against all such companies and if not, the reasons therefor ?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) 394 companies have been inspected in the last two financial years, ending on 31 -3-2003.

(b) The details are asunder:

| | Violations | Mismanagement | Delay in payment of dividend | Nonpayment of deposits. |
|---|---|---|---|---|
| Number of cases | In almost all Cases of Inspection | 12 | 6 | 34 |

(c) Prosecutions have been ordered for the violations established.

**Restructuring of UTI schemes**

*552. SHRI RAMACHANDRA KHUNTIA : Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) Whether the Unit Trusi of India propose to restructure its 47 schemes through intra-scheme merger;

(b) if so, the details thereof; and

(c) the steps taken by Government for aggressive marketing of UTI schemes in order to reduce redemption pressure on the Trust?

THE MDMISTEROF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) As at present, there is no proposal for intra-scheme merger in respect of schemes with UTI-I which manages US-64, Assured Return Schemes andSUS-99.

However, UTI-II has decided in March 2003 to merge five existing Master Equity Plans, i.e. MEP 93, MIP 94, MEP 95, MEP 96 and MEP 97 into a single scheme named as UTI-Master Equity Plan Unit Scheme (UTI-MEPUS).

(c) Assets under management of the UTI-II have fallen from Rs. 14,476 crores (as on 28th February, 2003) to Rs. 13,516 crores (as on 31 st March, 2003) as per information provided by AMFI. UTI Mutual Fund is undertaking all possible measures for marketing of its schemes.

In UTI-I, US-64 holders have been given an option of exchanging their US-64 certificates for a bond to be issued by it and guranteed by the Government. These bonds will carry 6.75% p.a. tax free interest, will be freely tradable and will be redeemable after five years. Investing public have accepted these bonds in an overwhelming majority.

Dividends earned by the scheme will be passed on to the certificate holders tax free and the transactions of US-64 will be exempt from capital gains tax.

**Merger of Kamraj Rural Bank with Jammu Rural Bank**

*553. SHRI GHULAM NABIAZAD: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Reserve Bank of India has recently issued orders asking the merger of Kamraj Rural Bank with Jammu Rural Bank;

(b) if so, whether Jammu Rural Bank Employees have threatened strike and agitation against this order as reported in media; and

(c) if so, details thereof?

THE MINISTEROF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) to (c) There is no proposal for merger of Kamraz Rural Bank (KRB) with Jammu Rural Bank (JRB). However, Jammu & Kashmir Bank Ltd., (J & K Bank Ltd.), the Sponsor Bank of KRB and JRB has reported that the 16 migrant officers of KRB were proposed to be deputed to JRB under the Scheme for Inter-